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February 6, 2003

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Re: Ex Parte - CC Docket No. 01-338

Dear Ms. Dortch:

Pursuant to Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, this will provide notice that on February 4, 2003, Michael Gallagher, Chief Executive Officer of Florida Digital Network, Inc. ("FDN") and the undersigned met with Commissioner Kevin J. Martin and Daniel Gonzalez of Commissioner Martin's office, concerning issues in the above-captioned proceeding. Commissioner Martin and Mr. Gonzalez were provided with the attached presentation outlining FDN's views on the issues addressed during the meeting.

Also on February 4, 2003, Mr. Gallagher and the undersigned met with Jordan Goldstein of Commissioner Copps office, and provided Mr. Goldstein with the same attached handout and addressed the same substantive issues.

On February 5, 2003, Mr. Gallagher and the undersigned met with William Maher and Scott Bergman of the Wireline Competition Bureau and also met with Commissioner Jonathan S. Adelstein and Sarah Whitesell of Commissioner Adelstein's office. The same issues were addressed and the same handout was provided during these meetings.

This notice is being filed electronically.

Very truly yours,

Michael C. Sloan

Florida Digital Network February 2003



Presentation to FCC



About FDN

- Began operations in 1998
- Experienced and stable management
 - Team worked with the first-generation CAPs and CLECs beginning in the late 1980s
 - υ Founding management team remains on-board and committed
- Business model focused on small and medium sized enterprises (SMEs)
- Rapid growth: more than 30,000 customers and 110,000 voice and data lines in service
- 400 employees
- _o 100% focus on Florida markets drives dense penetration

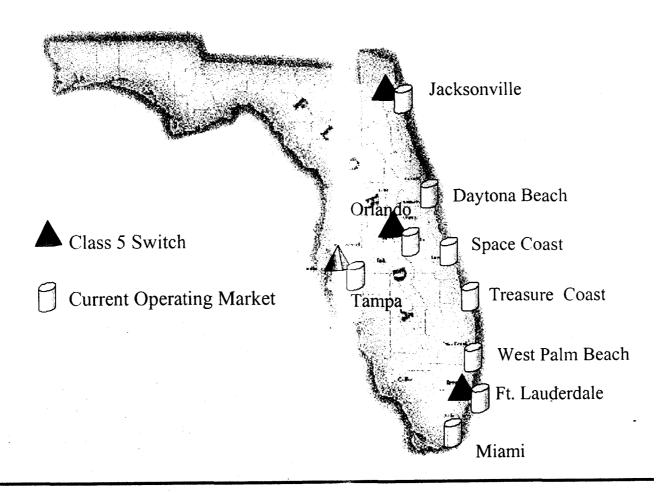


Proven Success

- Financially healthy
 - υ No debt, no bankruptcy
 - υ Free cash flow positive
- Recently announced acquisition of Mpower's assets and customer base in Georgia and Florida
 - Maintain business plan of rational expansion in Southeast
- Largest facilities-based CLEC in Florida
- Facilities based: no resale, no UNE-P
 - υ 114 collocations for voice and data
 - υ 4 Nortel 5ESS switches deployed around the state
 - υ Over 180 miles of owned fiber reduces network costs
 - υ Efficient, proprietary OSS platform
 - υ Innovator of DSL products via UDC loops



FDN Footprint





Regulatory Objectives

- UNE Loops
- o DSL
- Dark Fiber and Lit Transport
- ILEC Predatory Win-Back Policies



DSL

- ILECs' DLC network in Florida makes it impossible for CLECs to provide DSL
 - υ 90% of lines in FL pass through fiber or copper-fed DLCs
 - BellSouth has deployed DSLAMs in more than 3,000 of the 12,000 Remote Terminals in its footprint
- o Cable Modem Service is not a substitute for SMEs
- BellSouth has 99 percent market share
- Need UNE access to entire loop (including DSLAMs in RTs) or bit-stream similar to SBC's obligations under Project Pronto Waiver Order



DSL (cont.)

- The Commission should adopt technology neutral policies
 - υ Copper feeder creates the same impairment as fiber
 - u Irrelevant whether ILEC utilizes NGDLC or stand-alone DSLAMs
- The Commission should also prevent ILECs from tying voice and DSL, especially where CLECs cannot provide DSL (as in Florida)
 - υ Line splitting not an option because of DLC architecture
 - υ FL Commission provided FDN relief (along with LA and CA Commissions)



Dark Fiber and Transport

- o 180-mile fiber transport network
- Plan to construct dark fiber network connecting collocations
- Continue to rely on UNE transport to aggregate traffic
- o Competitive alternatives are not available
- Presence of multiple competitors on one route (rare) does not mean that an entire market is "competitive"



Dark Fiber and Transport (cont.)

- Dark Fiber requires capital investment to "light" fiber and multiplex traffic
- Promotes facilities-based competition and innovation
- Any rule modification must be based on presence of multiple alternative carriers on given routes ("granularity")

